

FISCAL IMPACT STATEMENT ON BILL NO. **S.195**

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TO:	The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Kenneth Brown		
DATE:	February 12, 2007	SBD:	2007065

AUTHOR:	Senator Ritchie	PRIMARY CODE CITE:	42-1-455
SUBJECT:	Insurance Department Website on Worker's Compensation		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or Savings are expected)

BILL SUMMARY:

The Bill would require the Department of Insurance to establish guidelines for, create, and maintain a website on which insurance companies will provide, and the Department shall post, the identities of subcontractors who terminate their worker's compensation insurance coverage.

EXPLANATION OF IMPACT:

The Department of Insurance indicates that this Bill would require additional State General Funds totaling \$31,080 in the first year and \$2,850 annually thereafter. One-time funding of \$28,500 would be needed to update the agency's database (\$4,500), create data interface from insurance companies (\$3,000), create screens for manual updates (\$6,000), recreate miscellaneous control reports (\$3,000), create web page (\$6,000) and test/implement the system (\$6,000). Annual system maintenance would cost approximately \$2,850.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget